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Diana T Fritz 12/06/2006 03:04:48 PM From DB/Inbox: Search Results

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Text:

C O N F I D E N T I A L ABU DHABI 01333

SIPDIS  
CXABU:  
ACTION: AMB  
INFO: DCM POL ECON

DISSEMINATION: AMB  
CHARGE: PROG

APPROVED: CDA:RALBRIGHT  
DRAFTED: ECON:ELWILLIAMS,CG:M  
CLEARED: ECON:OJOHN, CG:JDAVIS

VZCZCADI159  
PP RUEHC RUEHZM RUEHC  
DE RUEHAD #1333/01 0850358  
ZNY CCCCC ZZH  
P 260358Z MAR 05  
FM AMEMBASSY ABU DHABI  
TO RUEHC/SECSTATE WASHDC PRIORITY 8863  
INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE PRIORITY  
RUEHC/DEPT OF LABOR WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 ABU DHABI 001333

SIPDIS

STATE PASS USTR

E.O. 12958: DECL: 03/26/2015  
TAGS: [ELAB](#) [ETRD](#) [PHUM](#) [PREL](#) [TC](#)  
SUBJECT: LABOR UNION RIGHTS A LENGTHY AND COMPLICATED TASK  
FACING UAE

REF: A. A) ABU DHABI 1274

[1](#)B. B) ABU DHABI 349  
[1](#)C. C) ABU DHABI 296

Classified By: Classified by Richard A. Albright, Charge d, Affaires, a.  
i., reasons 1.4 (b) and (d)

[1](#)1. (U) This is a joint Abu Dhabi and Dubai cable.

[1](#)2. (C) Summary: DoL D/US Levine held labor consultations March 19-21 with a wide range of senior UAE officials, professional associations, and businesspeople. The labor delegation discussed current labor laws and practices and workers rights in the UAE, and also discussed the status of proposed UAE changes to their labor law and a new trade union law. Most strikingly, no official could give a time frame for the passage of a trade union law, and officials admitted that they are still unsure how to approach the problem of including foreign workers in such unions. Even Emirati leaders of current professional associations expressed concerns about the inclusion of foreign workers in a future union, illustrating the challenges the UAEG will face in passing such a law in a short time frame. End summary.

[1](#)3. (U) Department of Labor (DoL) Deputy Under Secretary Arnold Levine led a labor consultations delegation, consisting of representatives from DoL, USTR, and DoS, to the UAE on March 19-21 for discussions related to the labor chapter of the Free Trade Agreement. They met with the Ministers of Labor and Interior, MFA U/S Abdullah Rashid Al Noaimi, and MinFin A/US Khalid Al-Bustani. They also met with US businesses and UAE professional associations, lawyers, and a Dubai-based labor attache. Levine took advantage of the visit to emphasize the labor requirements of Trade Promotion Authority with regard to FTAs. He focused

specifically on the UAE,s need to address freedom of association, the right to bargain collectively, and the problem of child and forced labor in the form of camel jockeys (see Ref A). He particularly made the point that the UAE must take effective steps to enforce and strengthen its domestic labor laws.

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CURRENT SITUATION  
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14. (U) The UAE,s labor law dates from 1980, and is currently being revised. The UAEG consulted the International Labor Organization (ILO) in the drafting of the original 1980 law, and Minister of Labor Dr. Ali Al-Ka,abi confirmed that the UAE is again asking the ILO to review the revised draft law. The ILO sent a contact team to the UAE in October 2003, when they discussed a number of labor issues (including camel jockeys) and met with a number of federal ministries and emirate-level government officials. Al Ka,abi also met recently with the Lebanon-based head of the ILO regional office when they were both in Algiers in February.

Standards of Work  
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15. (U) The UAE does not impose a minimum wage or have minimum wage guidelines, but in practice Ministry of Labor (MoL) officials inspect all contracts to ensure they include all legally required benefits, allowances, and time of payments. (Note: In the UAE, the majority of contracts provide for housing allowances, transportation to home country, and educational stipends for children in addition to the base salary. End note.) Ministry officials noted that UAE citizens can receive social insurance benefits from the government if they do not earn a sufficient salary. Foreign workers usually remit the majority of their salaries to their home countries, and their daily living needs (i.e. housing and food allowances) are often provided separately in their work contracts from the base salary.

16. (U) The current labor law sets health and safety standards, and MoL inspectors and the individual emirates all retain enforcement bodies to oversee these requirements. If a workplace is unsafe, workers can report this to the MoL. They have the legal right to stop working until major safety problems are corrected. (Note: In the draft law discussed during AUSTR Clatanoff,s January visit, officials noted the revised labor law will strengthen these provisions. See ref 1B. End note.)

Strikes and Collective Bargaining Units  
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17. (U) Current law does not explicitly prohibit strikes or collective bargaining units for private sector employees, nor does it state explicitly that they are permitted. Collective dispute resolution is allowed and takes place regularly. (Note: Public servants and employees working in some public utilities that may endanger human life are prohibited from striking. End note.) In practice, workers in the UAE frequently file complaints with the MoL and sometimes strike, primarily for the purpose of collecting unpaid wages. Post knows of no instances where workers went on strike in anticipation of changing working standards or gaining further rights, and the MoL officials gave no such examples. Protection against unfair dismissals (for workers or representatives in an unsolved dispute) are included in the current labor law, but there do remain concerns about reprisals due to the fact that companies serve as sponsors for nontransferable visas that are required of all foreign workers in the UAE.

18. (U) Freedom of Association, like collective bargaining, is also not expressly prohibited or permitted by current law. Social clubs arranged by nationality, such as an Indian Club or Pakistani Club, do exist in the UAE, but such groups are

not associated with workplace issues and do not engage in collective bargaining.

#### Structure of Professional Associations

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¶9. (U) Professional associations are the only workers' associations that currently exist in the UAE. They are organized by profession: teachers, jurists, engineers, medical professionals, and social workers. Most members of these associations are Emirati. Although foreign workers do belong to these associations, they do not have voting rights and cannot serve on the boards of the organizations. Twenty people from the same profession can request that the Ministry of Labor permit an association to be formed. Every two years, each society holds elections for its board, which are supervised by the Ministry of Labor. Officers must be UAE citizens. Each association has a constitution, written by its members and approved by the MoL. Members pay annual dues of approximately 33 USD each.

¶10. (C) Members of the professional associations vented their frustrations about the MoL and the UAEG to Levine. They said that during the first ten years everything went smoothly (1986 to 1996), but since 1996 the societies have faced harassment from the government and close supervision by the State Security Directorate (SSD). Members noted that the government and SSD had forced out many association board members. They speculated the reason for this close supervision and restrictions was the UAEG's fear of any form of elections. Association leaders also noted that the UAEG restricted them from officially affiliating with international professional associations (saying MoL officials had refused more than ninety percent of their requests for travel to official functions in the region), although in the 1980's most of the associations had been members of Arab professional association leagues. The leaders also acknowledged that the UAE is very sensitive about the use of the word 'union', preferring instead to use 'society' or 'association'. They felt the fear came from the perception that a union would bargain for specific rights and have explicit powers.

¶11. (C) Speaking to the delegation in Dubai, the ex-head of the UAE Jurists' Association described his frustration with the law: "The law does not allow the employer associations to flourish. By law, an association cannot defend the interests of its members. So if a group of teachers is fired, the association cannot protest, as that would be like a union."

#### ----- Future Labor Prospects -----

#### Foreign Workers in Collective Bargaining Units

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¶12. (C) UAEG officials reiterated their concerns that granting freedom of association and collective bargaining rights to foreign workers may threaten UAE national security, since the vast majority of the private sector workforce is foreign (98 percent). In an effort to gain a better understanding of the demographics involved, government officials are planning to issue biometric identification cards to all residents (national and non-national) within the next three years. The program will begin in June with Ministry of Interior and Defense employees, followed by residents over the age of 18. Government officials have expressed particular concerns that the major nationalities represented in the worker population come from politically or economically troubled countries, including Pakistan, Iran, and India, and represent 80 percent of the UAE population. Al Kaabi illustrated UAEG concerns about demographics by saying he didn't want his children to see his picture in a museum as an example of the 'former rulers' of the UAE, in a future UAE with a president named Khan (a Pakistani name). He stressed that no one in the UAE would allow that to happen.

¶13. (C) Even the leaders of the professional associations expressed security concerns about granting full worker rights to foreign workers. They stated that they had not thoroughly examined the issue, but thought a solution limiting foreign membership to a percentage of the board, or not allowing them to vote, would grant them basic workplace rights without violating the precepts of national security. They specifically stipulated that foreign workers should not be allowed to represent the UAE in international fora or in negotiations with the government. In Dubai, the ex-head of the Jurists' Association expressed doubts about the plan to introduce unions. "Everything in this society has to be controlled by the government, and I don't know how the government could control unions. I don't think the government will allow genuine labor unions," he said.

Trade Union Law?

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¶14. (C) No official could give Levine a timeline on the passage or implementation of the proposed trade union law. Sheikh Abdullah and Dr. Al Ka'abi both admitted to AUSTR Novelli during the first round of FTA negotiations that the UAE has not finished drafting legislation to allow for collective bargaining and freedom of association, but said that the Ministry of Labor is working with the ILO to ensure that the draft law conforms to ILO standards. Al Ka'abi explained that the UAE is considering a staged approach to the freedom of association that may initially permit membership for nationals only. He said the ILO agreed in principle to this strategy, but that a Bahrain-based representative would come to the UAE at the end of March or early April to review the specifics of the draft law. Al Ka'abi told Levine that the UAE wants to meet ILO standards, but it must deal with the demographic realities of the UAE labor market.

¶15. (C) Leaders of the professional associations expressed serious concerns about the proposed labor union law, although they had not yet seen a draft of the proposal. In particular, they were concerned that the law would have so many restrictions on unions that it could actually be more prohibitive to union formation than the current practices are. The leaders noted that currently only 3,000 Emiratis are employed in the private sector, and that 2,000 of these are in management positions. They were specifically concerned that the new law may require 99 people in a profession to form an association, rather than the current 20 people needed, and that this requirement could restrict the formation of almost any union since there are so few Emiratis in the private sector. They were also frustrated that the government had not consulted them about any proposed union law.

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Comment  
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¶16. (C) It appeared from the meetings that developing ILO compliant rights of collective bargaining and freedom of association remains a lengthy and complicated task. Given the UAE's unique demographics, the question of how to grant these rights to foreign workers while still preserving national security is the biggest challenge for the proposed new law. This will likely require lengthy consultations with the ILO, private sector, and the various government ministries. The speed with which the UAEG would be ready to implement such a law remains an open question. An advisor to Abu Dhabi Crown Prince Mohammed bin Zayed told Charge March 22 that the government would be unlikely to resolve the labor issues until all other elements of the FTA were settled. Al Ka'abi told Levine that he is interested in sending a UAEG representative to the United States to consult about the UAE's labor situation and the status of its laws.

¶17. (U) The delegation has cleared this cable.  
ALBRIGHT